

Message Text

CONFIDENTIAL

PAGE 01 STATE 111841

73

ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 L-02 TRSE-00 OMB-01 FRB-03 ABF-01

CIAE-00 INR-07 NSAE-00 SP-02 SSO-00 INRE-00 /036 R

DRAFTED BY EB/IFD/OMA:MTMINNIES:DLS

APPROVED BY EB/IFD:PHBOEKER

EUR/EE:BRAINARD (INFO)

----- 002543

O 140224Z MAY 75 ZFF4

FM SECSTATE WASHDC

TO AMEMBASSY WARSAW NIACT IMMEDIATE

C O N F I D E N T I A L STATE 111841

E.O. 11652: GDS

TAGS: EFIN

SUBJECT: PL-480 ANNUITY AGREEMENT

DELIVER TO AMBASSADOR OPENING OF BUSINESS MAY 14.

1. NEGOTIATING TEAM HAS REACHED AGREEMENT ON TERMINATION OF 1968 ANNUITY AGREEMENT. ROLLOVER: AMOUNT AND INTEREST STILL NOT SETTLED, BUT LANGUAGE WILL BE SIMILAR TO 1972-3 ROLLOVER. NEW AGREEMENT WILL PERMIT DOLLAR CHECKS TO BE MAILED DIRECTLY TO ANNUITANTS WHO THEN HAVE OPTION OF CASHING THEM AT A PHASEDOWN RATE THROUGH DEC. 31, 1977. DEPT. RESISTED CONTINUOUS POLISH ATTEMPTS TO REQUIRE THE USG TO OVERSTAMP OR LIMIT NEGOTIABILITY OF CHECKS. RELEVANT PORTION OF TEXT ON ANNUITIES FOLLOWS::

EMBASSY COMMENTS REQUESTED.

2. QUOTE: THE AGREEMENT EFFECTED BY EXCHANGE OF NOTES SIGNED AT WARSAW AUGUST 6, 1968, RELATING TO U.S. GOVERNMENT PENSIONS, IS HEREBY TERMINATED AS OF JUNE 30, 1975, AND THE PROVISIONS THEREOF SHALL THEREAFTER BE OF NO FURTHER FORCE AND EFFECT; PROVIDED, HOWEVER, THAT THE PROVISIONS OF PARAS 2 AND 6 THEREOF SHALL CONTINUE TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 111841

BE IN FULL FORCE AND EFFECT WITH RESPECT TO VOUCHERS

ISSUED IN ACCORDANCE WITH PARA 1 THEREOF ON OR PRIOR TO

JUNE 30, 1975. AFTER JUNE 30, 1975, THE GOVERNMENT OF THE UNITED STATES OF AMERICA MAY DISCHARGE ITS OBLIGATIONS TO PAY DOLLAR ANNUITIES TO PERSONS ENTITLED THERETO RESIDING IN POLAND (HEREINAFTER CALLED THE ANNUITANTS) BY MAILING DOLLAR CHECKS THEREFOR TO THE ANNUITANTS. SUCH CHECKS SHALL INDICATE THE NAME AND ADDRESS IN POLAND OF THE PAYEE AND SHALL ALSO INDICATE THAT THEY ARE PAID IN RESPECT OF ANNUITY BENEFITS.

THE GOVERNMENT OF THE UNITED STATES AGREES TO INFORM THE ANNUITANTS AS TO THE SUBSTANCE OF THE AGREEMENT AND, IN CONNECTION THEREWITH, WILL INFORM THE ANNUITANTS AS TO THE LAWS AND REGULATIONS OF POLAND RELATING TO THE NEGOTIATION OF SUCH CHECKS. THE GOVERNMENT OF THE POLISH PEOPLES REPUBLIC AGREES THAT: (A) DURING THE PERIOD FROM JUNE 30, 1975, THROUGH DECEMBER 31, 1977, IT WILL PERMIT THE ANNUITANTS TO EXCHANGE 20 PERCENT OF

THE DOLLARS SO RECEIVED FOR COUPONS OF THE BANK POLSKA KASA OPIEKI S.A. (HEREINAFTER CALLED THE PKO BANK) VALID FOR PAYMENT OF GOODS PURCHASED IN FOREIGN CURRENCY STORES, AND THE ANNUITANTS SHALL BE ENTITLED TO EXCHANGE DOLLARS SO RECEIVED AND NOT EXCHANGED FOR SAID COUPONS FOR POLISH ZLOTYS AT A RELATIONSHIP NO LOWER THAN WHICHEVER OF THE FOLLOWING RELATIONSHIPS IS MORE FAVORABLE TO SUCH ANNUITANTS: (1) THE RELATIONSHIP SPECIFIED IN SCHEDULE A OR (2) A RELATIONSHIP NOT LESS FAVORABLE THAN THE MOST FAVORABLE EFFECTIVE RELATIONSHIP ACCORDED ANNUITIES RECEIVED BY RESIDENTS OF POLAND FROM ANY THIRD COUNTRY, (B) ON AND AFTER JANUARY 1, 1978, IT WILL PERMIT THE ANNUITANTS TO EXCHANGE THE DOLLARS SO RECEIVED INTO POLISH ZLOTYS THROUGH THE SOCIAL SECURITY ENTERPRISE, ZAKLAD UBEZPIECZEN SPOLECZNYCH, AT A RELATIONSHIP NOT LESS FAVORABLE THAN THE MOST FAVORABLE EFFECTIVE RELATIONSHIP ACCORDED ANNUITIES RECEIVED BY RESIDENTS OF POLAND FROM ANY THIRD COUNTRY, AND THE ANNUITANTS AND THEIR FAMILIES SHALL HAVE THE RIGHT TO MEDICAL SERVICES TO THE SAME EXTENT AND ON THE SAME BASIS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 111841

AS ANY RESIDENTS OF POLAND WHO ARE RECEIVING ANNUITIES OR PENSIONS IN POLAND. IN ADDITION, THE ANNUITANTS WILL HAVE THE RIGHT TO OTHER SPECIAL BENEFITS ACCORDED UNDER POLISH LAWS AND REGULATIONS TO RESIDENTS OF POLAND WHO ARE RECEIVING ANNUITIES FROM ANY THIRD COUNTRY. THE GOVERNMENT OF POLAND FURTHER AGREES THAT THE ANNUITANTS SHALL BE ENTITLED TO TREATMENT, IN MATTERS RELATING TO THE RECEIPT AND DISPOSITION OF THEIR ANNUITIES

INCLUDING RIGHTS TO THE PURCHASE OF COUPONS OF THE PKO

BANK, NO LESS FAVORABLE THAN THAT ACCORDED RESIDENTS
OF POLAND WHO ARE RECEIVING ANNUITIES FROM ANY THIRD
COUNTRY.

THE BENEFITS OF THIS AGREEMENT WILL ALSO BE EXTENDED TO
ALL RESIDENTS OF POLAND WHO RECEIVE ANNUITIES FROM NON-
GOVERNMENTAL ENTITIES OF THE UNITED STATES OF AMERICA.
UNQUOTE.

3. SCHEDULE "A" READS:

55:1 FOR JULY 1, 1975 THROUGH DECEMBER 31, 1975

50:1 FOR JANUARY 1, 1976 THROUGH JUNE 30, 1976

45:1 FOR JULY 1, 1976 THROUGH DECEMBER 31, 1977.

4. PLEASE REPLY NIACT IMMEDIATE, ATTENTION MINNIES. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PL 480, AGREEMENTS, DEBT REPAYMENTS, NEGOTIATIONS, ANNUITIES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: SmithRJ
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE111841
Document Source: CORE
Document Unique ID: 00
Drafter: MTMINNIES:DLS
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750168-0640
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750553/aaaabvqo.tel
Line Count: 131
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 09 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JUN 2003 by izenbei0>; APPROVED <20 OCT 2003 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PL-480 ANNUITY AGREEMENT DELIVER TO AMBASSADOR OPENING OF BUSINESS MAY 14.
TAGS: EFIN, PL
To: WARSAW
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006